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March 28, 2006

Ms. Beth O'Donnell
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40601-0615

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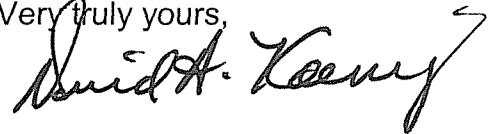
PUBLIC SERVICE
COMMISSION

Dear Ms. O'Donnell:

Enclosed please find information originally requested in PSC Case No. 2002-00295, further clarified in Case No. 2006-00027. I was uncertain as to in which case the filing should be made so I have submitted duplicate originals in the event the material needs to be filed in both cases.

Thanking you for your consideration, and with kindest regards, I remain,

Very truly yours,



DAVID A. KOENIG

DAK:as
enclosures

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

MAR 29 2006

PUBLIC SERVICE
COMMISSION

IN THE MATTER OF:

APPLICATION OF BOONE COUNTY)
WATER DISTRICT FOR AN)
ADJUSTMENT OF RATES)

CASE NO. 2002-00295 ✓

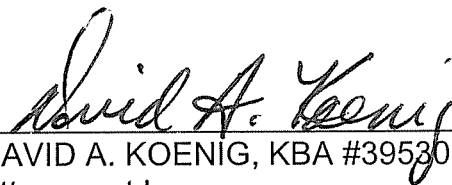
IN THE MATTER OF:

BOONE COUNTY WATER)
DISTRICT'S REQUEST FOR)
MODIFICATION TO THE)
COMMISSION'S ORDER OF)
FEBRUARY 27, 2003, IN CASE)
NO. 2002-00295)

CASE NO. 2006-00027

NOTICE OF FILING

All parties will please take notice that the Boone County Water District hereby submits the following information, which information is to be utilized in conjunction with the Boone County Water District's Annual Report to the Public Service Commission for 2006.



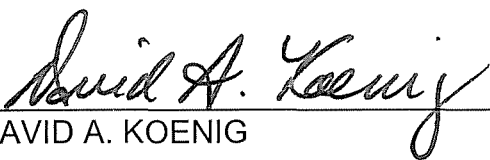
DAVID A. KOENIG, KBA #39530
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(859) 525-6161

CERTIFICATE OF SERVICE:

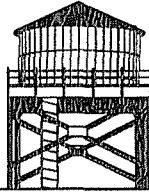
I, DAVID A. KOENIG, hereby certify that I have filed an original and ten (10) photocopies of this notice of filing by first class mail, postage prepaid, on this the 28 day of March, 2006, to:

Ms. Beth O'Donnell
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602-0614

Hon. David Edward Spenard
Assistant Attorney General
1024 Capital Center Drive, Suite 200
Frankfort, KY 40601-8204



DAVID A. KOENIG



Boone County Water District
2475 Burlington Pike • Burlington, Kentucky 41005-0018
(859) 586-6155 • Fax (859) 586-5016
www.boonewater.com

March 23, 2006

Ms. Beth O'Donnell
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602-0615

Re: **Case No. 2002-00295**
Case No. 2006-00027
Boone County Water District

Dear Ms. O'Donnell:

Please be advised that as illustrated in Appendix A, the Boone County Water District believes that the rates approved in the Commission's Order of February 23, 2003, in Case No. 2002-00295, are sufficient to meet its current operating expenses and annual debt service requirements.

We have included for review the figures as reported to the commission for the prior three years and our projection for the current year 2006. As noted on the Appendix, we did not include depreciation as an operating expense.

Very truly yours,



PHIL TRZOP
Manager

PT:as

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2006-0027 DATED JANUARY 24, 2006

Year	As taken from Boone's Annual PSC Reports			Projected
	2003	2004	2005	2006
Operating Revenue	8,297,144	9,035,281	9,981,026	9,957,760
Non-Operating Revenue	173,309	192,678	274,734	242,100
Less: Operating Expenses**	-6,804,400	-7,546,561	-8,645,064	-8,597,746
Income Available to Service Debt	1,666,053	1,681,398	1,610,696	1,602,114
Interest Expensed	232,942	244,124	174,676	165,503
Principal Paid	290,000	305,000	345,000	345,000
Total Debt Paid	522,942	549,124	519,676	510,503
Ratio of income to Debt	319%	306%	310%	314%
125% of Debt	653,678	686,405	649,595	638,129
Amount of Revenue Over 125% percent of Debt Coverage Ratio	1,012,376	994,993	961,101	963,985
Depreciation	1,233,957	1,330,146	1,461,816	1,575,000

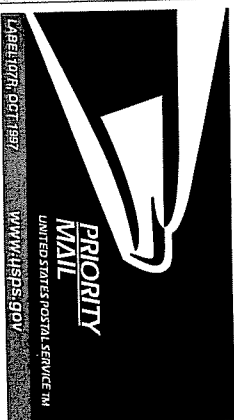
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The Boone County Water District's Bond Resolution Covenants state the following:

Rate Covenant

The District covenants by the Resolution, that it will at all times establish, enforce and collect rates, rentals and charges for services rendered and facilities constituting the System (subject to such regulatory approval as may be required by law), in an amount after allowances for all operation and maintenance cost (**but not including depreciation**) of **1.25** times the annual principal, interest and sinking fund requirements on all Bonds issued under the Resolution.

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Florence, Kentucky 41022



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Executive Director
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COMMISSION

